- Grant fresh crop loans to affected farmers.
- Convert principal as well as interest due on the existing loans.
- Not to treat portion of converted rescheduled loans as Non Performing Assets (NPAs).
- Not to compound interest on current dues.
- Relax security and margin norms.
- Provide consumption loans to agriculturists whose crops have been damaged.

Further, the Government announcd a policy package on June 18, 2004 which includes providing relief to the farmers who have suffered losses on account of successive droughts, floods etc. In pursuance of this package, Reseve Bank of India has issued guidelines on 24th June, 2004 for debt rescheduling/restructuring and fresh loans to farmers affected by natural calamities. As per the guidelines, debts as on March 31, 2004 of all farmers, who suffered production and income losses on account of successive natural calamities, *i.e.* drought, flood, or other calamities which might have ocurred in the districts for two or more successive years during the past five years, may be rescheduled/ restructured by banks provided the State Government concerned has declared such districts as calamity affected. Accordingly, the interest outstanding/accrued in the accounts of such borrowers (crop loan and agriculture term loans) upto March 31, 2004, may be clubbed with the principal outstanding therein as on March 31, 2004, and the amount thus arrived at shall be repayable over a period of five years, at current interest rates, including an initial moratorium of two year. On restructuring as above, the farmers concerned will become eligible for fresh loans.

(c) Does not arise.

Revival of M/s J. K. Synthetics

†1422. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of FINANCE be pleased to state:

(a) the action being taken by Government so far to revive M/s J. K. Synthetics, Kota (Rajasthan);

†Original notice of the question was received in Hindi.

(b) whether Government have announced any special package for the revival of Central Undertakings; and

(c) the decisions taken about M/s J. K. Synthetics of Rajasthan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) M/s J. K. Synthetics, Kota (Rajasthan) is a private company. Hence, it is not for Government to revive the company. It was declared as a sick company by the Board for Industrial and Financial Reconstruction on 2.4.1998. The Appellate Authority for Industrial and Financial Reconstruction *vide* its order dated January 7, 2005 has sanctioned a revival scheme for M/s J. K. Synthetics, Kota.

Interest rate on GPF and PPF

†1423. SHRIMATI KAMLA MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering the proposal of giving 9.5 per cent interest rate to Government and non-government employees on their G.P.F. and P.P.F. as is being given on Employees' Provident Fund;

(b) if so, by when this issue would be considered; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) No, Sir. There is no proposal under consideration of Government to revise the rate of interest on GPF which has been retained at 8 per cent for 2005-2006 at par with that of 2003-2004 and 2004-2005 or the rate of interest on PPF which has been pegged at 8 per cent since 2003-2004. In the case of Employees' Provident Fund, the Central Board of Trustees of Employees' Provident Fund has not made any recommendation in respect of interest rate on EPF accumulations for the year 2005-2006.

The adiministered rates of interest, including those on GPF, PPF and EPF, are fixed taking into account the entire gamut of issues, including the differences in the schemes and deployment of funds collected thereunder.

†Original notice of the question was received in Hindi.